

ORIGINAL

DIVISION OF CONSUMER ADVOCACY  
Department of Commerce and  
Consumer Affairs  
335 Merchant Street, Room 326  
Honolulu, Hawaii 96813  
Telephone: (808) 586-2800

PUBLIC UTILITIES  
COMMISSION

2009 JUL 20 P 3:42

FILED

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of )  
 )  
WAI'OLA O MOLOKA'I, INC. )  
 )  
For review and approval of rate increases; )  
revised rate schedules; and revised rules. )  
 )

DOCKET NO. 2009-0049

**DIVISION OF CONSUMER ADVOCACY'S**  
**STATEMENT OF POSITION**  
**REGARDING COMPLETENESS OF AMENDED APPLICATION**

On March 2, 2009, Wai'ola O Moloka'i, Inc. ("WOM" or "Company") filed an application ("Application") requesting, in relevant part, the following:

1. Approval of an increase in the rates and charges assessed to WOM customers;
2. Authorization to establish an Automatic Power Cost Adjustment Clause;
3. Authorization to amend Rule 20 of WOM's Rules and Regulations, which specifies, among other things, the fee for re-connecting water service to WOM customers; and

4. A favorable decision allowing WOM to submit unaudited financial statements in lieu of audited financial statements otherwise required by Hawaii Administrative Rules ("HAR") § 6-61-75.

On March 30, 2009, the Division of Consumer Advocacy ("Consumer Advocate"), pursuant to HAR § 6-61-62, filed a Statement of Position Regarding Completeness of Application ("Statement of Completeness") recommending that the Commission require the Company to provide audited financial statements to comply with the Commission's requirements under HAR § 6-61-75.

On April 2, 2009, the Commission issued an Order Denying WOM's Request To Submit Its Unaudited Financial Statements In Lieu Of Audited Financial Statements ("Order"). In the April 2, 2009 Order, the Commission directed that WOM shall re-file an amended Application in this proceeding once audited financial statements are prepared to support the Company's requests in this matter.

On May 4, 2009, counsel for WOM advised the Commission that the Company retained KPMG, LLP ("KPMG"), to conduct an audit of WOM's financial statements. On June 1, 2009, counsel for WOM advised the Commission that the Company expects to re-submit its amended general rate case application with audited financial statements by no later than June 30, 2009.

On June 29, 2009, WOM filed an amended Application ("Amended Application") containing the audited financial statements required by the April 2, 2009 Order and HAR Title 6, Chapter 61, Subchapters 6 and 8.

Pursuant to HAR § 6-61-62, the Consumer Advocate informs the Commission that the Consumer Advocate has reviewed the Amended Application filed in the

above-entitled docket and it appears that WOM has complied with the April 2, 2009 Order and the Rules of Practice and Procedure Before the Commission. As noted in the Statement of Completeness filed on March 30, 2009, WOM has not included a statement as to the rate and amount of dividends paid during the five (5) preceding calendar years as required by HAR § 6-61-75(a)(7). However, based upon the accumulated deficits identified by the Company in the financial statements attached to the Amended Application, the Consumer Advocate continues to assume that no dividends were paid during the five (5) preceding calendar years. If this assumption is incorrect, WOM should be directed to file supplemental information that corrects this deficiency in the Amended Application. In the alternative, the Commission may choose to determine whether the Amended Application should be deemed complete.

Putting aside the appropriateness of the substance of the items provided in the above-entitled matter, to the extent that compliance with the Commission's Rules of Practice and Procedure is the standard, the Consumer Advocate does not object to the completeness of the Amended Application filed in this docket.

DATED: Honolulu, Hawaii, July 20, 2009.

Respectfully submitted,

By Dean Noel  
for CATHERINE P. AWAKUNI  
Executive Director

DIVISION OF CONSUMER ADVOCACY

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing **DIVISION OF CONSUMER ADVOCACY'S STATEMENT OF POSITION REGARDING COMPLETENESS OF APPLICATION** was duly served upon the following parties, by personal service, hand delivery, and/or U.S. mail, postage prepaid, and properly addressed pursuant to HAR § 6-61-21(d).

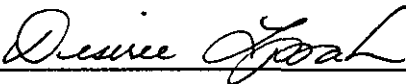
PETER A. NICHOLAS  
Wai'ola O Moloka'i, Inc.  
c/o Molokai Properties Limited  
119 Merchant Street, Suite 408  
Honolulu, Hawaii 96813

1 copy  
by U.S. mail -

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DATED: Honolulu, Hawaii, July 20, 2009.

  
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